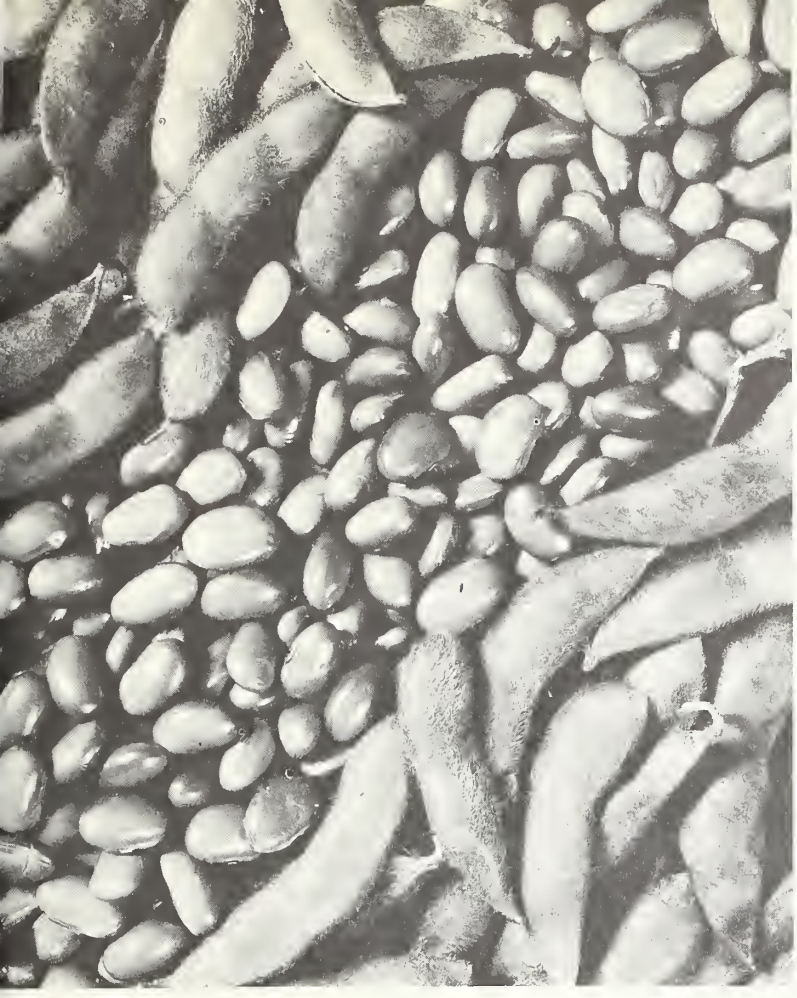

FEBRUARY 3, 1964

OILSEEDS MARKET ABROAD

EXPORT CREDIT INSURANCE

PLANT COLLECTIONS
FROM SOVIET UNION

FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

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FOREIGN AGRICULTURE

Including FOREIGN CROPS AND MARKETS

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Soybeans—one out of every four bushels that U. S. farmers raise goes overseas. The 1964 foreign market for soybeans and other U. S. oilseeds is analyzed on p. 8.

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THE U.S. EXPORT CREDIT INSURANCE PROGRAM

Designed by the Export-Import Bank to encourage foreign sales, this program helps exporters by minimizing commercial and political risks.

By GLENN E. McLAUGHLIN
Vice President, Export-Import Bank

The Foreign Credit Insurance Association (FCIA), which administers one of the programs designed by the Export-Import Bank to encourage exports, has recently completed its second year of operation. The FCIA is an association of 74 private insurance companies, established in November 1961 to issue export credit insurance against the commercial and political risks inherent in selling on credit terms in international trade.

This export credit insurance program was established in response to the increasing need of U.S. exporters to provide credit terms to their overseas customers in order to maintain or augment their sales. In extending credit to overseas customers the exporter is exposed to risks of nonpayment not only because of financial inability of the buyer but also because of political actions in the borrowing country which may result in nonpayment of the trade debt.

To minimize these risks as well as to facilitate commercial bank financing, the U.S. Government through the Export-Import Bank took the leadership in urging U.S. marine, casualty, and property insurance companies to establish the FCIA. This insurance program supplemented the existing export guarantee program under which the Bank offers guarantees to commercial banks which provide medium-term credits to exporters without recourse.

The risks covered

FCIA issues coverage on either a short-term basis (up to 180 days) or a medium-term basis (180 days to 5 years), and either against comprehensive risks (political and commercial) or political risks only.

Commercial risks are those associated with the financial inability of the buyer to meet debt payments and protracted default of payments, the latter referring to failure of a buyer to pay within 6 months after the due date.

Political risks are those associated with political or other events beyond the control of the obligor: for example, exchange controls which may prevent the buyer from from obtaining the foreign exchange to meet the payment due, cancellation of import license, expropriation, war, revolution, and the like.

FCIA insurance claims, however, will not be paid (1) for goods not accepted by the buyer, (2) so long as there is a dispute between the buyer and seller, or (3) where the exporter himself is at fault (for example, where the exporter has not complied with his contractual obligations to the buyer). The Export-Import Bank assumes the entire political risk underwritten by the FCIA and shares equally with the FCIA in the underwriting of commercial risks.

This program offers a completely new advantage to the U.S. exporter. Since the FCIA acts as agent for the Bank and the insurance companies and does all of the servicing of the business, the exporter can deal directly with his insurance broker or with an agent for any one of the 74 member companies, rather than submitting his credit application to the Eximbank in Washington for its consideration. Once the application is made, the FCIA itself makes the necessary contract with the Bank, thereby simplifying the process for the exporter.

Short-term credit

Most of the FCIA's policies have been for short-term credit transactions, that is, up to 180 days. Exporters who supply consumer goods abroad are finding this coverage attractive as it enables them to sell with minimum risks on terms up to 180 days. The comprehensive short-term policy insures up to 85 percent of the commercial credit risks and up to 95 percent of the political risks. The political short-term policy insures up to 90 percent of the political risks alone. All policies under the short-term insurance are subject to an overall limit of liability and also a maximum amount of coverage in certain countries.

The cost of the short-term insurance varies according to the risks covered, the exporter's spread of risk, the country of import, and the terms of payment. For comprehensive coverage the rate varies from 0.5 percent to 3.3 percent; for political coverage the rates are about two-thirds of those for the comprehensive coverage. Under the short-term FCIA program an exporter must normally declare and pay a premium on all his shipments made on credit terms but may exclude letter of credit sales and sales to Canada.

Medium-term coverage

Medium-term policies provide coverage for goods and services customarily sold in international trade on terms varying from 181 days up to 5 years, depending upon the nature of the goods exported. The medium-term insurance relates to export credit sales of capital goods and equipment such as machinery and transportation equipment.

Unlike the short-term program, which generally requires the exporter to insure all or much of his export business, medium-term coverage—either comprehensive or political risk alone—is obtainable on a case-by-case basis. That is to say, the exporter may insure only those transactions he desires. The exporter, however, can arrange coverage for repetitive sales to one buyer, or insure all his medium-term transactions acceptable to the insurers.

As a condition of medium-term insurance, the foreign buyer must make a cash payment of generally not less than 20 percent on or before delivery. A cash payment as low as 10 percent of the contract price may be acceptable if the financial position of the buyer and the importing country is strong and if there is sufficient reason, such as the need

to match foreign terms. The maximum insurance is 85 percent of the financed portion, irrespective of risks covered.

Other important requirements are that the terms of the credit must be in accordance with the terms customarily applicable in international trade to the particular goods involved, and that the financed portion of the transaction be evidenced by a promissory note in form acceptable to the insurer. Since FCIA policies are assignable to commercial banks or other financial institutions, the financing of an exporter's accounts receivable is facilitated.

As in the case of short-term insurance, the costs of medium-term insurance vary according to country of import and terms of payment. The rates for comprehensive coverage range from 0.6 percent to 3.2 percent per annum on outstanding balances. Political risk rates are generally about three-fourths of those for comprehensive coverage.

The standard short-term and medium-term insurance policies become effective upon shipment of the goods to the buyer. Pre-shipment coverage may also be available for the period of manufacture of the product. This means that losses after the effective date of the sale contract but prior to actual shipment of the goods may be insured for an additional premium.

Program frequently revised

The FCIA program has proved to be successful in meeting the needs of U.S. exporters for export credit insurance. There has been a continuing effort to tailor the facilities available to exporters to enable them to compete with similar export credit terms in foreign countries. At the inception of the FCIA program only the short-term comprehensive policies were issued; similar medium-term policies were offered in July 1962, and the short and medium-term political risk policies were initiated in January 1963. Also in January FCIA premium rates were reduced.

With an extensive educational campaign underway to better inform businessmen of the insurance program, 17 percent of FCIA's policy holders as of the middle of 1963 were firms not previously in export business and this number is expected to increase. As of October 31, 1963, FCIA had outstanding 1,381 short-term policies covering shipments valued at $524 million, and 637 medium-term policies covering shipments valued at $41 million.

Farm products covered

It is difficult to determine the impact which the FCIA program has had on agricultural exports over the time it has been in existence. Although no breakdown is available of policy-holders by products shipped, agricultural commodies are often included among a variety of products and commodities covered. There has been evidence of growing interest in the FCIA program as exporters have experienced the need of granting term credits on grain, cotton, and other agricultural products to various markets. There is also some indication that the principal commodities shipped are rice, wheat, cotton, tobacco, flour, and feeds.

Exporters of agricultural products who are interested in export credit insurance fom FCIA should contact their insurance agent or broker or the FCIA direct (250 Broadway, New York, N.Y. 10017) for further information.

First Shipment of U.S. Wheat Sets Out for a Russian Port

Last week, when the American flag vessel *Exilona* moved out of Norfolk harbor, she carried the first U.S. wheat to be shipped to the USSR under the export authorization announced by President Kennedy last October 9.

This load—6,500 metric tons of No. 2 Hard Amber Durum wheat—was part of a 1-million-ton sale to the Soviet Union announced by the Continental Grain Company early in January. The company estimates the total value of the sale, which was for cash at world market prices, at approximately $78.5 million, and terms this the largest single grain and freight transaction in its history.

The *Exilona* will be followed shortly by other ships carrying more wheat from Continental's elevators and sailing from Boston, New Orleans, Galveston, Houston, Portland (Oregon), and Longview (Washington).

The shipping schedule calls for sailings during February and March as follows:

Approximately 500,000 tons of No. 2 Hard Winter wheat from U.S. Gulf ports to Russian ports on the Black Sea; 150,000 tons of No. 2 Western White wheat and No. 2 Hard Winter from U.S. Pacific Coast ports to Russian ports in Siberia; and 350,000 tons of No. 2 Hard Amber Durum from U.S. Atlantic ports to Russian Black Sea ports.

The supply of durum is being acquired from the Commodity Credit Corporation through the payments-in-kind program. The total sale accounts for about 20 percent of the quantity of durum available during 1963-64 for export and carryover. The hard winter and white wheat needed will come mostly from stocks still in farmers' hands and from free market supplies, though some will come from government stocks.

The President's announcement last fall granted U.S. exporters of wheat and certain other agricultural products the right to seek customers in the Soviet Union and other Eastern European countries. As of last week, slightly over 50 applications for export licenses under the new procedure had been approved by the U.S. Department of Commerce. Products for which licenses have been requested are wheat, wheat flour, rice, corn, barley, clover seed, sorghum seed, alfalfa seed, soybeans and soybean cake and meal, cotton, and tobacco. (The only licenses requested for sales to the Soviet Union have been for wheat and rice.)

Actual sales have not yet been recorded under all of the licenses granted, however. Information available last week indicates that firm contract signed since October 9 with buyers in countries of the Soviet Bloc (Poland and Yugoslavia excepted) include the following amounts:

Wheat, 1,298,900 metric tons, of which 203,200 is going to Hungary; 63,200 to East Germany; 32,500, to Czechoslovakia; and all the rest—1,000,000—to the Soviet Union.

Corn, 33,200 metric tons—15,500 to Hungary and 17,700 to East Germany (quantities shipped).

Rice, 50,000 metric tons—all to the Soviet Union.

Cotton, 6,600 bales, to Hungary.

The U.S. expedition, traveling in a Soviet jeep, looks for wild fruits in the Crimean hills. Growing here are small fruited thorny ancestors of the cultivated plum trees.

U.S. Horticulturists Collect Plants From the USSR

Some regions of the world are richer than others in plant species of economic importance. One such region is the USSR.

By J. L. CREECH and D. H. SCOTT
Crops Research Division
Agricultural Research Service

For centuries, the great land mass of the Soviet Union has been a fertile area for plant exploration. From 1897 on, explorers from the U.S. Department of Agriculture have collected plants in various parts of that country, visiting 11 times up to the early 1930's.

Last summer, after a lapse of 30 years, the United States again proposed that the doors of the Soviet Union be opened to the freedom of movement required by plant explorers. Under the cultural exchange program in effect between the two countries, the USDA asked Soviet approval of a collecting trip by two of its horticulturists in the late summer and fall of 1963. The personal interest of Secretary Freeman brought a favorable response by the Soviet Government, and late in the summer we arrived in the Soviet Union.

For our first effort, a horticultural plant exploration trip to the Republics in Central Asia and the southern parts of the Soviet Union was selected. These regions are particularly rich in native fruit tree species related to the cultivated apple, pear, and many stone fruits. An expedition there in 1929 had been successful enough to warrant a return; furthermore, Soviet horticulturists have for many years directed their own fruit breeding work toward improved cold tolerance and drought resistance, basing it on the findings made by Russia's own famous plant explorer, N. I. Vavilov.

We planned to combine this plant collecting trip with a survey of plant materials at Soviet horticultural institutions. Few American horticulturists are known personally to the Soviets, and we wanted to exchange information and ideas with the Soviet horticulturists, who were familiar with some of our interests and eager to pool horticultural knowledge. The trip included, therefore, centers of fruit research in Uzbekistan, the Crimea, and Moldavia, with short visits to fruit breeding stations near Moscow and Leningrad—these being the principal locations of Soviet horticultural work. These areas also coincide with the distribution of some of the fruit and ornamental plants we hoped to secure as wild stocks.

Fruit research in Central Asia is principally carried out at two institutions in Uzbekistan—the All-Union Institute Michurinin at Tashkent and the stations of the Shreder Institute of the Uzbek Republic at Tashkent and Samarkand. Central Asia is one of the oldest centers of grape culture in the world, and research on improvement of the grape for table, raisin, and wine purposes still has a high priority. Uzbekistan grows 136,000 acres of grapes, all of which must be protected from the severe Central Asian winter by covering the vines with soil. New varieties of grapes being bred at both institutions are achieving quality and transportability far superior to that of Sultanina, principal seedless variety grown both in the Soviet Union and in the United States.

Cultural research and plant breeding investigations at these two experiment stations are good, but we failed to see a translation of this research effort in terms of practical application at the collective farm level. The grapes on farms we saw were grown over the ground as rampant vines, as perhaps they have been for centuries—this in contrast to the trellised vines observed in the experimental

The group, working with local horticulturists, collected many wild apples, plums, and pears along Crimean hillsides. Pears above, though inedible, will yield seeds for U.S. research.

plantings and commonly used in commercial vineyards in the European areas of the Soviet Union.

Apples, pears, and stone fruits are being improved from the standpoint of culture under conditions of extreme drought and severe spring frosts, through breeding with the wild native types. The remarkably uniform growth of pears and apples in newly opened lands suggests a highly fertile soil with a promise of successful crops, provided irrigation is adequate. However, extensive attempts to use fruit trees in terraced plantings in mountainous regions with low rainfall and no opportunity for irrigation seemed to us of dubious merit.

The fruit and grape varieties considered most promising at the Tashkent and Samarkand stations are to be provided to us by the Soviet horticulturists as cuttings or scions this winter. Many of them will serve as useful parents in the development of new varieties for the United States. Seeds of wild cherries for rootstock studies and some of the native tree species constituted the collections that we took in hand as a result of our visit to this area.

The Crimea is an important fruit-producing region of the USSR, and the mountains of the Crimea contained a number of fruit species and other plants of interest to our expedition. It was surprising to find that except for the coastal fringe along the Black Sea, the Crimea has a steppe-like climate with low rainfall and severe winters. Our base was the magnificent Nikita Botanical Garden at Yalta, an institution over 150 years old and one of the main fruit breeding centers of the USSR. Strangely, this handsomely groomed botanic garden with a staff of more than 60 research scientists is little known in the Western world. With the help of the local horticulturists and a jeep provided by the Garden, we traveled into the mountains above Yalta to collect plants in the rocky ledges and plateaus that had hidden the partisans during World War II. Here we found wild pear species of interest as potential rootstocks and relatives of apples that will serve both our fruit breeding and ornamental plant interests.

From the established plantings in the Nikita Botanical Garden we were able to gather cuttings, plants, and seeds from various introduced plants and from the breeding programs. The research being undertaken here includes the development, in terms of the Soviet Union's own climatic conditions, of winter-hardy plums, peach-almond hybrids, and peaches with late-blooming habit, as a means of avoiding frost damage. It also includes extensive trials with dwarf apple stocks, both introduced types and those derived from breeding. There is a drive in the Soviet Union to increase fruit production, and the use of dwarfing stocks is one recognized method of effecting precocious fruiting of apple trees. More than 1 million apples are grafted onto dwarfing stocks at the Simferopol substation of the Nikita Botanical Garden each year.

The Nikita Botanical Garden has had a sustained program of plant introduction since its inception in 1812. For example, our famous redwood (*Sequoia sempervirens*) was probably first introduced into Europe by Russian explorers from California in 1840. This great interest in plant breeding and the whole scholarly atmosphere of the Nikita Garden reflects the influence of its first director, a Swedish botanist, Christian Steven. The Garden was one of the first institutions in the Soviet Union to concern itself with agricultural research.

The Moldavian Republic reflects the European aspects of fruit culture in the Soviet Union. At the capital Kishinev, we again witnessed the effort to more than double the production of grapes through the use of extended plantings and to encourage development of new fruit orchards. Here again, emphasis is placed on the breeding and development of fruit varieties with both exceptional hardiness and drought resistance. The Institute of Grape Growing and Horticulture of Moldavia, at Kishinev, is the center of horticulture research. Organized in 1956, this institute has developed rapidly and now is said by the scientists to have the largest collection of grape varieties in the Soviet Union (2,400 varieties). It was here that we were told that the fruit trees of the Soviet Union cover all together nearly 10 million acres: about 5 million of apples, 3 million of grapes, and 2 million of other fruits. In this Republic, we were looking for wild walnuts, apples, and cherry species. We drove into the low foothills and with the assistance of the local foresters succeeded in finding stocks of a number of wild plants to add to our increasing collections.

That ancient fruit the quince, shown above in a Tashkent orchard, is still grown in Central Asia because the tree is successful at resisting damage from drought.

Above right, at Samarkand collective, grapevines grow rampant on ground; yields and quality are low. Right, grapes are treated with boiling sulfur before drying.

Altogether, we brought out of the Soviet Union some 150 lots of seed, cuttings, and scions, and left with the various institutions lists of those varieties of fruits, particularly grapes, that were not in suitable condition for collecting at the time. These will be sent under the Exchange of Plant Materials Program conducted between the All-Union Institute of Plant Industry at Leningrad and the New Crops Research Branch of the USDA. In return, varieties of American fruits and ornamental plants requested by Soviet scientists will move in the opposite direction through the same channels.

In general, we observed that conventional plant breeding is used by most Soviet horticulturists in developing new fruit varieties. However, we were also able to find scientists who followed the Lysenko theories of acquired characteristics, though they seemed to be in the minority. Many of the older Soviet scientists are conducting basic research in fruit breeding. In Kishinev, Dr. V. A. Rybin has conducted a long-term breeding program looking towards clarifying the origin of the cultivated plum, a problem which has both academic and practical implications. In other institutions, interspecific hybrids of fruit species are designed to determine the transmission potentials of desirable characteristics and the degree of compatibility of species that are distantly related.

Although our main interests were the fruits in the southern extremes of the Soviet Union, we did briefly observe the research being carried out in the north, especially near Leningrad. Here, emphasis is placed on the development of fruits, such as apples, pears, cherries, currants, and strawberries, which can withstand the extremely cold winters and still produce fruit of acceptable quality. In this effort, species native to Siberia and the Caucasus Mountains play a major role. Hybrids of black currant crossed with a Siberian relative are also the subject of considerable research, since this cross has resulted in an extremely hardy fruit and one which the Russians hope can be grown successfully in the broad northern belt from White Russia to Sakhalin.

Although our trip was a short one in terms of the usual plant exploration, we succeeded, during our 45 days, in making a broad sampling of Soviet horticulture and in meeting with the principal horticultural scientists of the USSR. The plant materials obtained—the first to be taken directly out of the Soviet Union for many years—and the experiences gained in the best approach to undertaking more lengthy collecting efforts in the future are the rewards we brought back from our travels.

The FOREIGN MARKET for OILSEEDS and OILSEED PRODUCTS

By ROBERT W. ALLEWELT
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Foreign Agricultural Service

U.S. exports of oilseeds and oilseed products, which during the last marketing year returned more dollars to this country than any other agricultural product group, should reach new highs in the 1963-64 marketing year.

Dollar sales of oilseeds and products from October 1962 to September 1963 were valued at $705 million; and, including exports under government programs, the total export value of this commodity group reached $818 million. For the 1963-64 marketing year, a total export value in excess of $900 million is expected.

Soybeans, soybean meal, and *oil* are the United States' major oilseeds exported. U.S. dollar exports of soybeans in the 1963-64 marketing year could reach a new high of 190 million bushels, compared with the previous record of 180 million a year earlier. Prices are expected to average well above the 1962-63 farm price of $2.34 a bushel. The 1963 soybean crop support price, $2.25 a bushel, is the same as a year earlier.

One out of four exported

About 1 out of every 4 bushels of the 1963 U.S. soybean crop will move into export, mostly to the important dollar markets of Western Europe, Japan, and Canada. In these markets, rising consumer incomes have expanded demand for poultry and other livestock food products, creating in turn a need for high protein animal feeds. Much of this need is being met with imports of U.S. soybeans which, when crushed, produce a high meal content of good quality. As such, soybeans have a competitive advantage over other oilseeds that produce lower meal quality and yields per bushel—particularly in feeds for poultry and swine numbers.

As in earlier years, Western Europe will take about half of the soybeans exported from the United States in 1963-64, with the six members of the European Economic Community accounting for most of these imports. Soybean imports will provide Europe with a source of high protein meal to feed its expanding broiler industry. High prices for feed grains resulting from the Common Market's grain import policy have improved the competitive position for soybean meal, which is admitted duty-free.

The export market offered by Western and Eastern Europe for U.S. soybean oil in the current marketing year is also quite good. The reduced availability of Soviet sunflowerseed and rapeseed oil to Eastern Europe appears to favor increased exports of U.S. soybeans and products in 1964. East Germany and Czechoslovakia particularly, import U.S. soybeans, oil, and meal indirectly through Western Europe, and a limited amount directly from the United States. These two Bloc countries, plus Hungary and Poland have initiated purchases of U.S. soybeans in recent months; Bulgaria has purchased U.S. soybean meal.

Chinese situation

Communist China's exports of soybeans have continued their downward trend; however, in the current marketing year, a slight increase is expected. Since 1960, Communist China's exports have been limited mostly to Japan, which is also the largest market for U.S. beans.

Japan placed imports of soybeans in an automatic approval category in 1961 and there are indications that it will abolish the 13-percent duty rate by October 1964. The expanded use of soybean meal and oil in Japan will require larger imports of U.S. soybeans, the only limitation being the availability of Communist China's crop.

U.S. exports of *soybean and cottonseed oils* in 1963-64 are expected to approximate the record set 2 years ago of nearly 1.8 million pounds, exceeding the 1962-63 total of 1.5 million.

This expected slight increase over 1962-63 figures in dollar exports of these two oils comes from prospects of larger sales to established U.S. markets and to countries under Public Law 480 that are required to maintain or expand regular commercial oil imports. As was the case in 1962-63, vegetable oil exports for dollars will probably account for about 40 percent of total exports.

Reduced edible oil stocks in Western Europe, excluding olive oil, favor additional U.S. soybean and cottonseed oil exports in 1963-64. Traditionally a dollar market for U.S. cottonseed oil, Western Europe this year is likely to import more U.S. soybean oil than usual. However, shipments to Spain, Greece, and Italy will be down because preliminary reports indicate they harvested record or near-record olive crops in 1963.

Government oil deliveries

Vegetable oil sales under both Titles I and IV of Public Law 480 are expected to increase sharply in 1963-64, reflecting greater foreign consumption requirements, rising per capita incomes, new markets, and improved handling and storage facilities. Prospective new markets for U.S. soybean and cottonseed oils seem to be developing in Southeast Asia and Africa. Additional exports may be sent to established program countries such as Poland, Yugoslavia, the U.A.R., Turkey, Pakistan, Morocco, Peru, Columbia, and Bolivia.

Exports of U.S. *oilseed meals* in 1963-64 are expected to approach 1.7 million short tons, exceeding last year's record of approximately 1.6 million tons.

Foreign meal requirements will be moderated to some extent by good hay and feed grain crops in most West European countries. In 1963-64, these countries will very likely prefer to import whole soybeans rather than the meal because of their greater edible oil needs.

U.S. meal exports to Spain this year are not expected to exceed the 200,000 short tons shipped in 1962-63; however, the 200,000-ton figure represents a sixfold increase from the year earlier. Oil output from some new soybean crushing plants will reduce Spain's need to import edible vegetable oil from the United States and elsewhere. It could, however, mean larger U.S. soybean exports.

A growing livestock industry has prompted Japan to authorize limited imports of soybean meal in recent months. Indications from Japan are that soybean meal imports will be placed on the automatic approval list in October 1964 (along with soybeans), and the 5-percent ad valorem duty will be abolished.

U.S. LEATHER and HIDE PRODUCERS LOOK OVERSEAS

By GROVER J. SIMS
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Foreign Agricultural Service

American tanning and leather goods industries are becoming more aware of the sales potential abroad and are becoming increasingly active in promoting their products in these highly competitive foreign markets. The expected increase in U.S. exports of leather and expanding overseas markets for untanned hides will mean higher returns to U.S. farmers as hides are the most valuable byproducts derived from slaughter of cattle and calves.

The U.S. Department of Agriculture is cooperating with these industries in developing markets for leather in Europe and untanned hides in Japan.

The U.S. Food and Agricultural Exhibition in Amsterdam in November staged a comprehensive exhibit of U.S. made leather shoes and a great variety of other U.S. leather products. In addition to the fixed display, a leather fashion show was held four times daily to highlight the great range of American shoes, garments and accessories. It was the consensus of the co-sponsors of the exhibit—the Tanner's Council of America, the Leather Industries of America, and the USDA—and of visitors that the leather exhibit and fashion show were among the outstanding features of the exhibition.

Good consumer response

Every initial estimate of attendance and consumer reaction fell completely short of the fact. During the show, attendants of the exhibit spent most of their time explaining that the display goods were not for sale. According to the Tanner's Council, "It would have been possible to sell every leather item ten times over before the show was 2 days old. Nothing could have been more frustrating to sales-minded personnel than to have to turn down the importunities of Dutch consumers. If that reaction had been at all anticipated, the manufacturers who cooperated in lending goods for the leather exhibit could have been invited to send over merchandise and sales representatives. It is conservatively estimated that the resulting sales could easily have run into hundreds of thousands of dollars."

The Amsterdam show was preceded by a somewhat similar demonstration at the International Semaine du Cuir (Leather Week) in Paris in September 1963 under the same industry and government sponsorship. In addition to fashion shows and other displays of U.S. leather products, the feature attraction was an American craftsman who demonstrated production of handsewn shoes. Thousands watched him work and deluged him with questions on the type of leather needed. An enlarged color card of U.S. show colors for spring 1964 attracted much interest from consumer and manufacturers alike.

Quality and value in volume

Mr. Irving Glass, Executive Vice President of the Tanner's Council commented: "It is the opinion of trade observers that the United States projected a new and perhaps revolutionary image at the Semaine du Cuir. We demonstrated that quality, value, and superb fashion are wholly consistent with volume production of leather and shoes for the mass market. Our products were wanted and foreign trade obstacles notwithstanding, I believe that our exports must reflect the inevitable tide of greater demand."

As a result of the show, hundreds of inquiries were received from manufacturers and retailers in 15 foreign countries. U.S. tanners received orders for new business and made contacts which should pay off in trade expansion. The show also demonstrated that cattle side leathers as well as other types could be exported, thus serving the interests of U.S. livestock producers and tanners.

In general, the experience of U.S. tanners and leather goods manufacturers in foreign sales confirms the export potential in Europe for U.S. products. It is a tribute to the U.S. industry that these products will compete with those produced by old world craftsmen. It emphasizes the necessity for breaking down the lingering trade barriers and other trade restrictions which keep American goods out of foreign markets and reaffirms the rewards to be attained by individual salesmanship and followup in exploring export outlets and markets.

Bigger U.S. hide exports

The biggest export outlet for U.S. hides and skins is Japan, where U.S. sales increased from $12 million in 1959 to more than $27 million in 1962 and were even higher in 1963.

A market development program for hides and skins began in Japan in 1960. Japanese leathers made from U.S. hides got their first major showings—sponsored by the Western State Meat Packers Association, the All-Japan Leather Association and the USDA—in Japanese cities last fall at leather style shows. These were so successful that U.S. hides and leather interests will hold a solo exhibit at the U.S. Trade Center in Tokyo, from February 26 to March 6.

In addition, there is a day-to-day promotion and advertising campaign under the market development program to enhance purchases and use of shoes, apparel, and leather accessories and thus increase exports of U.S. products.

Growth in competition

Exporters of U.S. leather and hides and skins in recent years have had to meet both increasing competition from other producers and changes in consumer demand.

Large supplies of cattle hides and calf skins in the world have resulted in relatively low prices and have encouraged the use of leathers in a wide variety of ways. At the same time, there have been substantial shifts in uses to which leather formerly was put.

Years ago, large amounts of leather were used in the United States for harnesses and saddles for the work stock. Now, with the decline in the use of horses, these products are used in far smaller quantities. This trend was followed by a similar one in Europe and in more advanced countries throughout the world.

Some years ago, for instance, industrialized nations made extensive use of heavy leather in industrial belting. Now, with the development of nylon, rubber, and other continuous belting, much less natural leather is used for this purpose.

However, the largest single use for cattle hide leathers is still the manufacture of shoes and demand for shoes and leather products has not kept pace with available supplies of hides. As a result, world hide prices declined to unusually low levels in 1963. Prices of some grades of U.S. cattle hides were the lowest in this century, except for the depression years of 1931-34.

There are still millions of ill-shod people in the world, not because they do not want shoes, but because they do not have the money to buy them. On the other hand, there are great numbers of people in prosperous nations able to buy all the shoes they want. The problem is to encourage their purchases of shoes sufficiently to utilize the increasing supplies of leather available. Market development helps promote interest in leather shoes.

More recently, leather has also met growing competition from substitute materials in the manufacture of shoes. Large numbers of rubber and cloth shoes are being manufactured. Synthetic soles have been common in leather shoes for a long time, and now uppers are being made of plastic materials. A leather-like synthetic has been perfected which promises to be widely used in both uppers and soles of shoes for men, women, and children. Synthetics are also competing with leather in the manufacture of handbags, apparel, and furniture upholstery.

Manufacturers in the United States are facing, too, considerable competition by imports of shoes, athletic equipment, and other leather items, chiefly from Europe and Japan.

Unlike finished leather products, upon which all countries, including the United States, place duties, raw cattle hides and calf skins move freely in world commerce. Generally, tariffs are low and there are few other barriers affecting this trade. Since hides are a raw material, most countries desire to import them in order to encourage industrial activity and utilize available labor resources.

Argentina is usually the largest cattle and hide exporting country in the world, but in some years has been surpassed by the United States. Other large exporters—although they ship considerably less—include Germany, France, Australia, the Netherlands, Canada, the Republic of South Africa, Uruguay, and New Zealand.

The largest importer in the world, by a substantial margin, is Japan, followed by Italy, West Germany, the USSR, the Netherlands, Czechoslovakia, the United Kingdom, Yugoslavia, Hungary, France, and Canada. Some countries, which are both leading importers and exporters, export size and weight ranges which they have in surplus while importing other types of hides which are in short supply.

The chief export markets for U.S. hides are Japan, the Netherlands, the USSR, Canada, West Germany, Mexico, Yugoslavia, the Republic of Korea, Turkey, and Italy. In 1963, the United States exported about 9 million pieces, or one-fourth its total production of cattle hides and calf skins. The value of these exports amounted to $65 million.

World cattle slaughter has been increasing for several years by at least 2 million head each year. This is particularly true in the United States, Canada, Australia, New Zealand, and in some other large hide exporting countries. Production has also increased sharply in Western European countries which are mostly net importers of hides.

A French model, above, shows the latest in U.S. leather fashions for street and sportswear to importers at the famous Leather Week in Paris last fall.

At Amsterdam fair, a U.S. craftsman (r.) shows the workmanship and skill that go into high-style American-made shoes.

Iraq Sells Dates to the Soviet Union

The Iraqi Date Administration delegation that went to Moscow has succeeded in selling 11,000 short tons of dates to the Soviet Union at a price reportedly in excess of $1,400,000 (6.4 cents per lb.). The delegation planned to go on to West Germany in continuation of its sales campaign.

The Government of Iraq is continuing its endeavors to sell dates and is meeting with some success. The press has reported that date exports for September 1–December 11, 1963, amounted to 115,700 tons, compared with 70,200 for the same period last year. The sale to the USSR was of particular interest, since there have been reports that there is little demand for dates in the Soviet Union and it may have a considerable amount left over from last year.

Small 1963 Raisin Harvest in Turkey

The 1963 harvest of raisins in Turkey is estimated at 60,000 short tons, a 10,000-ton reduction from earlier reports. Not only is this pack smaller than expected, but it is also considerably below the 100,000-ton 1962 pack and the 94,000-ton 1961 one. Average 1956-60 production was 83,800 tons.

Small raisins comprised about 15 percent of the 1963 crop compared with 3 percent last year. This was reportedly due to unfavorable weather.

Turkey's exports of raisins in 1962-63 totaled 91,200 short tons compared with 78,900 in 1961-62. The United Kingdom, West Germany, and Italy, in that order, were the leading buyers in both seasons. Exports in the 1963-64 season may reach only 50,000 tons. Through the last week of December 1963, approximately 36,000 short tons of raisins were registered for export. Actual shipments during this same period totaled 27,500 tons. Stocks remaining for export are estimated at 14,000 tons.

Turkish raisin export prices in mid-January 1964 were reported at 15.0 cents per pound for No. 9's and 15.6 cents for No. 10's, f.o.b. Turkish ports.

RAISINS: TURKEY, SUPPLY AND DISTRIBUTION, MARKETING SEASONS 1961, 1962, AND 1963 FORECAST

Item	Season beginning September		
	1961	Preliminary 1962	Forecast 1963
	Short tons	*Short tons*	*Short tons*
Beginning stocks	5,800	7,700	2,500
Production	94,000	100,000	60,000
Total supply	99,800	107,700	62,500
Exports	78,900	91,200	50,000
Domestic disappearance	13,200	14,000	12,000
Ending stocks	7,700	2,500	500
Total distribution	99,800	107,700	62,500

1963 Turkish Dried Fig Pack Again Large

The 1963 dried fig crop in Turkey is estimated at 50,000 short tons, in the fourth successive year of large production. The 1962 and 1961 dried fig packs were 47,000 and 55,000 tons respectively; average 1956-60 production was 39,800 tons.

According to Turkish sources, the first harvested figs were of very good quality, but the remaining crop was not as good.

Turkish exports in the 1962-63 season totaled 36,600 short tons compared with 39,300 in 1961-62. The 1962-63 exports consisted of 26,000 tons of whole dried figs, 6,800 tons of fig paste, and 3,800 tons of industrial-grade figs.

During the 1962-63 season, Turkey's shipments of fig paste to the United States totaled 3,032 tons. This is considerably below the 1961-62 volume of 8,943 tons, as rejections by the Food and Drug Administration curtailed further shipments to the United States during the 1962-63 season.

Exports during the 1963-64 season may approximate the 1961-62 level.

The minimum export price of fig paste for the 1963-64 season continues at 11.5 cents per pound. Turkish fig paste exporters state that they cannot sell paste to the United States at a price less than 12.5 cents per pound, because of the high manipulation cost. (This refers to the additional trimming, culling, and inspection required to assure their meeting U.S. Food and Drug Administration standards.) Some sales were reported to have taken place at the 12.5-cent level.

DRIED FIGS: TURKEY, SUPPLY AND DISTRIBUTION, MARKETING SEASON 1961 AND 1962, WITH COMPARISONS

Item	Year beginning September			
	Average 1956-60	1961	Preliminary 1962	Forecast 1963
SUPPLY	*Short tons*	*Short tons*	*Short tons*	*Short tons*
Beginning stocks	—	—	—	—
Production	39,800	55,000	47,000	50,000
Total supply	39,800	55,000	47,000	50,000
DISTRIBUTION				
Exports:				
Edible:				
Whole	16,900	24,100	26,000	(1)
Paste	7,600	11,800	6,800	(1)
Total	24,500	35,900	32,800	(1)
Industrial	5,900	3,400	3,800	(1)
Grand total	30,400	39,300	36,600	39,000
Domestic disappearance	9,400	15,700	10,400	11,000
Ending stocks	—	—	—	—
Total distribution	39,800	55,000	47,000	50,000

Turkey's 1963 Pistachio Crop Is Down

Turkey's 1963 pistachio crop is estimated at 3,300 short tons, on an inshell basis—40 percent below the 5,500 tons reported in 1962. Carryover stocks, estimated at 1,000 tons, were also below last year's level of 1,500 tons.

About one-third of the 1962 pistachio crop was retained for domestic consumption and the remainder, exported. Exports are expected to amount to about 2,200 tons this year (September 1963 through August 1964). This is about 40 percent less than the 3,500 tons exported last year. Domestic consumption is expected to decline by a similar proportion.

Reportedly there were over 14 million pistachio trees last

year. According to the Turkish State Institute of Statistics, tree numbers are increasing substantially.

South Africa's Tobacco Exports Up; Imports Down

The Republic of South Africa's exports of tobacco (leaf and products) during the first half of 1963 totaled 6.3 million pounds—up 43 percent from the 4.4 million shipped in the same period in 1962. Breakdown by country of destination is not currently available.

Imports of tobacco (leaf and products) totaled 1.9 million pounds, compared with 2.6 million in January-June 1962. Imports of leaf tobacco, at 900,000 pounds, were only three-fifths the January-June 1962 level of 1.5 million. Imports of cigarettes dropped to 865,000 pounds from 950,000, but those of cigars rose to 118,000 pounds from 89,000.

Austrian Cigarette and Cigar Output Rises

Cigarette output by the Austrian Tobacco Monpoly during the first 9 months of 1963 totaled 7.2 billion pieces —up 4.2 percent from the 6.9 billion produced in the same 1962 period. Production of cigars also increased, to 76 million pieces, from 72 million. However, combined production of smoking mixtures and cigarette and pipe tobaccos was about one-fifth below the January-September 1962 level of 1.6 million pounds. Output of chewing tobacco and snuff was also down slightly.

Canada Exports Less Tobacco

Canada's exports of unmanufactured tobacco during the first 9 months of 1963 totaed 37.6 million pounds—down 17.6 percent from the 45.7 million for the same period in 1962. Smaller shipments to the United Kingdom, West Germany, the Netherlands, Australia, the United States, Jamaica, Portugal, and Trinidad accounted for most of the decline and were enough to offset larger exports to Denmark, Norway, Sweden, Belgium, Hong Kong, and Malaya.

TOBACCO, UNMANUFACTURED: CANADA, EXPORTS BY COUNTRY OF DESTINATION, JAN.-SEPT. 1961-63

Destination	January-September		
	1961	1962	1963
	1,000 pounds	*1,000 pounds*	*1,000 pounds*
United Kingdom	33,398	34,746	29,355
Germany, West	614	4,535	3,412
Netherlands	16	1,271	940
Belgium	186	491	700
Denmark	245	129	544
Australia	502	793	450
Jamaica	468	564	410
United States	428	1,427	399
Sweden	(1)	(1)	283
Norway	150	59	264
Hong Kong	52	167	244
Portugal	188	262	88
Trinidad	689	844	36
Others	156	380	521
Total	37,092	45,668	37,646

[1] If any, included in others.

Shipments to the United Kingdom, the principal export market, totaled 29.4 million pounds, compared with 34.7 million in January-September 1962. Exports to West Germany fell almost 25 percent, to 3.4 million pounds from 4.5 million. Shipments to the Netherlands were down about 26 percent; to Australia, 43 percent; to Jamaica, 27 percent; to the United States, 72 percent; to Portugal, 66 percent; and to Trinidad, 96 percent. However, combined shipments to Sweden, Norway, and Denmark, at 1.1 million pounds, were almost 6 times larger than the January-September 1962 level of 20,000 pounds. Exports to Belgium rose also, to 700,000 pounds from 491,000.

Exports of flue-cured totaled 34.1 million pounds, compared with 44.0 million during the first 9 months of 1962. Smaller shipments to the United Kingdom, West Germany, the Netherlands, and Australia were more than enough to offset larger exports to Belgium, Denmark, Norway, and Sweden.

Exports of burley rose to 2.2 million pounds from the January-September 1962 level of 200,000 pounds. Exports ment of 1.3 million pounds to West Germany accounted for the increase. However, exports to the United Kingdom, at 793,000 pounds, were down 6.6 percent from 849,000 pounds in the first 9 months of 1962.

India's Cigarette Output Declines

Cigarette output in India turned downward during the first 6 months of 1963 after showing a steady upward trend since 1953. Production amounted to 20.3 billion pieces, compared with 20.7 billion in January-June 1962.

The production estimate for calendar year 1962 was recently revised to 40.9 billion pieces, compared with the 1961 figure of 39.5 billion.

Egypt Increases Cotton Price to Growers

The Egyptian authorities announced on January 6 that prices payable to growers for the 1964-65 cotton crop would be increased by between 1.05 and 2.39 U.S. cents per pound, depending on the variety. The new price to growers will be 35.75 U.S. cents per pound for Karnak and 30.34 cents for Ashmouni.

Egypt has also announced that prices of insecticides for use on the 1964-65 crop will be lowered by 20 percent to encourage expansion of cotton production.

Australia's Trade in Dairy Products

During the first 9 months of 1963, Australia's exports of all dairy products except dry whole milk were considerably above those in the same 1962 period.

Butter sales were up 24 percent to 134 million pounds, of which 112 million went to the United Kingdom. Shipments to Italy rose to more than 2 million pounds from 336,000. Sales to several other important markets at 2 million pounds each were practically the same as in 1962; these markets included Ceylon, Hong Kong, Malaya, and Singapore. Purchases by West Germany, which took 3 million pounds in the 1962 period, declined to 67,000 pounds. Japan, Thailand, and the Philippine Republic also took smaller quantities.

Exports of cheese increased 14 million pounds to 50 million, of which more than half went to the United Kingdom. Sales to the United States rose to 5 million pounds from only 989,000 in the preceding year. Japan's purchases, also 5 million pounds, were up by 4 million. Italy, not a purchaser in January-September 1962, took 2 million pounds. Shipments to Portugal and Saudi Arabia were

considerably above those of a year ago, and those to Hong Kong, Malaya, Singapore, and the Philippine Republic were up slightly.

Canned milk exports—almost entirely condensed milk—were 39 million pounds, compared with 25 million. The largest sales were made to Malaya, which took 15 million pounds (8 million last year), and Burma, 11 million (3 million). Somewhat more canned milk was shipped to the Philippine Republic, Thailand, and Ceylon; slightly less, to Singapore and the Rhodesian Federation.

Nonfat dry milk sales increased 9 percent to 34 million pounds. India took 11 pounds in both years. Exports to the Philippine Republic were up, to 5 million pounds from 495,000. The United Kingdom also made larger purchases in this period—5 million pounds compared with 2 million—as did the Rhodesian Federation, the South African Republic, and Hong Kong. Exports to Japan declined from 4 million pounds to 816,000, and there were no shipments to Italy, which a year ago took more than 2 million pounds.

Dry whole milk exports were down 20 percent to 9 million pounds. Smaller purchases by Ceylon and Malaya accounted for most of this decline.

Swiss Meat Imports To Rise

Imports of meats by Switzerland are expected to increase materially in 1964, as demand for meat has been increasing and production is expected to decline. All of the decline will be in beef; pork output may rise.

A shortage of pork will probably continue until midyear, and the largest imports of this product are likely during January-June. Owing to the specific preference of Swiss consumers for home-produced cured pork, little cured pork will be imported. The shortage of beef is likely to continue through the second half of the year.

Swiss imports are permitted only with licenses issued by the Departments of Agriculture and Imports and Exports. Recently, import licenses have been readily available to qualified importers, particularly for purchases of canned meat. Imports are subject to custom duties, import taxes, and inspection fees. Such taxes amount to 2.5 cents per pound for most fresh and frozen meats, but exceed 11 cents per pound for most canned meats. The following table gives the various fees on Swiss imports of meats in Swiss francs per metric ton, with equivalents in cents per pound in parentheses:

	Customs duties	Import tax	Veterinary inspection fees
Most fresh and frozen meats	100 (1.1)	5 (.05)	130 (1.4)
Pork carcasses [1]	5 [2](116)	5 (.05)	130 (1.4)
Most dried salted and smoked meat	750 (7.9)	200 (2.1)	130 (1.4)
Most canned meats	500 (5.3)	150 (1.6)	200 (2.1)

[1] Per carcass. [2] Cents per carcass.

Livestock Product Imports Rise in 1963

November imports of livestock and meat products were generally at or below the levels of the same month in 1962.

Beef and veal imports were up only slightly in November, as were those of all red meats. Imports of raw wool and live cattle were off sharply; those of hides and skins were mostly below the levels of the previous November.

For the year as a whole through November, imports of livestock products were generally above the same 11 months of 1962. Red meat imports rose 16 percent to 1,309 million pounds for the first 11 months. Imports of raw wool were up slightly as the increase in carpet wool more than offset the drop in dutiable apparel wool. Hide and skin imports showed increases for calf, kip, and goat and kid skins, and decreases for cattle, horse, and buffalo hides, for sheep and lamb skins and for pig skins. Imports of cattle were off nearly one-third from the previous year.

LIVESTOCK PRODUCTS: U.S. IMPORTS OF SELECTED ITEMS, NOVEMBER 1963, WITH COMPARISONS

(Product weight basis)

Items	November 1962	November 1963	Jan.-Nov. 1962	Jan.-Nov. 1963
Red meats:				
Beef and veal:	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*	*1,000 pounds*
Fresh and frozen bone in	1,827	2,356	16,776	18,821
Fresh and frozen boneless	70,833	72,604	743,746	871,751
Canned including corned [1]	8,281	9,651	75,292	104,053
Pickled and cured	103	51	519	630
Veal, fresh and frozen	4,713	3,998	21,996	23,497
Other meats [2]	1,209	2,420	22,216	24,299
Total beef and veal	86,966	91,080	880,545	1,043,051
Pork:				
Hams and shoulders, canned	9,687	11,105	120,287	128,384
Other pork [3]	6,290	5,111	65,880	63,559
Total pork	15,977	16,216	186,167	191,943
Mutton	3,982	1,685	53,888	56,633
Lamb	2,225	1,352	11,572	17,619
Total red meat	109,150	110,333	1,132,172	1,309,246
Variety meats [4]	686	610	2,654	3,175
Wool (clean basis):				
Dutiable	11,789	6,290	111,391	98,770
Duty-free	12,984	6,857	130,664	153,154
Total wool	24,773	13,147	242,055	251,924
	1,000 pieces	*1,000 pieces*	*1,000 pieces*	*1,000 pieces*
Hides and skins:				
Cattle	24	21	388	344
Calf	21	56	639	810
Buffalo	29	50	710	548
Kip	58	127	729	974
Sheep and lamb	1,103	781	26,659	24,949
Goat and kid	992	1,000	13,382	13,624
Horse	39	31	462	399
Pig	124	67	1,501	861
	Number	*Number*	*Number*	*Number*
Live cattle [5]	256,514	98,770	1,048,603	745,963

[1] Includes sausage in airtight containers beginning September 1963. [2] Other meats; canned, prepared, or preserved. [3] Fresh or frozen; hams, shoulders, bacon not cooked; sausage; prepared and preserved. [4] Includes edible meats and sausage except pork and beef beginning September 1963. [5] Includes cattle for breeding.

U.S. Department of Commerce. Bureau of Census.

Ireland Supervises Pork Exports

By March 1, 1964, Ireland is going to centralize all buying and selling of domestically produced bacon. Under this new plan, the Pig and Bacon Commission will buy all the bacon produced in Ireland and sell it to the best markets in Great Britain. A special office has been set up in London to carry out these transactions. Sales agents of Irish bacon are under supervision; their number has been reduced from 38 to 17.

At present the Irish Government is paying a subsidy of 2.3 cents per pound for all pork and bacon exported, compared with the 1962 subsidy of 9.9 cents per pound. The reduction in the subsidy is due to increased demand for pork, especially in Western Europe.

Australian Meat Shipments to the U.S.

Nine ships left Australia in late December with 19,846,400 pounds of beef, 4,397,120 pounds of mutton, 315,840 pounds of lamb, and 17,920 pounds of variety meats for the United States.

Ship and sailing date	Destination [1]	Arrival date	Cargo	Quantity
	Eastern and Gulf ports:			*Pounds*
Vegaland ------- Dec. 18	New Orleans	Jan. 12	Beef	282,240
			Mutton	33,600
	Houston	16	Beef	306,880
			Mutton	33,600
Montreal Star --- Dec. 21	Charleston	11	Beef	1,043,840
			Mutton	100,800
	Norfolk	12	Beef	472,640
			Mutton	235,200
	Philadelphia	14	Beef	844,480
			Mutton	206,080
			Lamb	114,240
	New York	17	Beef	4,092,480
			Mutton	526,400
			Lamb	4,480
	Boston	22	Beef	331,520
			Mutton	168,000
	St. John	24	Beef	118,720
			Mutton	893,760
			Lamb	123,200
			Var. meats	17,920
North Star ------ Dec. 23	Savannah [2]	([3])	Beef	470,400
			Mutton	201,600
	Norfolk [2]	([3])	Beef	91,840
	Philadelphia	13	Beef	595,840
			Mutton	168,000
			Lamb	73,920
	New York	20	Beef	4,674,880
			Mutton	840,000
	Boston	21	Beef	465,920
			Mutton	134,400
Pioneer Glen ---- Dec. 24	Charleston	27	Beef	33,600
	Norfolk	29	Beef	40,320
	Boston	Feb. 1	Beef	40,320
	New York	2	Beef	226,240
	Philadelphia	4	Beef	17,290
	Baltimore	6	Beef	100,800
			Muton	44,800
	Western ports:			
Kristin Bakke --- Dec. 22	Seattle	13	Beef	100,800
	Tacoma	15	Beef	56,000
	Portland	16	Beef	138,880
	Los Angeles	24	Beef	553,280
			Mutton	17,920
	San Francisco	28	Beef	344,960
			Mutton	123,200
Mariposa ------- Dec. 23	San Francisco	Jan. 9	Beef	112,000
			Mutton	33,600
	Los Angeles	13	Beef	517,440
Cap Frio -------- Dec. 24	Seattle	12	Beef	248,640
			Mutton	67,200
	Portland	14	Beef	508,480
	San Francisco	17	Beef	985,600
			Mutton	87,360
	Los Angeles	21	Beef	1,200,640
			Mutton	425,600
Arcadia ---------- Dec. 31	San Francisco	19	Beef	33,600
Ventura -------- ([3])	Los Angeles	13	Beef	176,960
	San Francisco	17	Beef	136,640
			Mutton	56,000
	Seattle	22	Beef	114,240
	Portland	29	Beef	367,360

[1] Cities listed indicate location of purchaser and usually the port of arrival and general market area, but meat may be diverted to other areas for sale. [2] To be transshipped. [3] Not available.

Philippine Copra, Coconut Oil Export Data

Registered exports of copra and coconut oil from the Philippine Republic in 1963 have been revised to 928,683 long tons for copra and 212,137 for coconut oil (*Foreign Agriculture,* Jan. 27, page 14). Shipments of copra to Japan should read 38,977 tons. Shipments of coconut oil to the United States should read 183,648 tons and those to Europe 28,489.

Ivory Coast's Exports of Palm Kernels

Palm kernel exports from the Republic of the Ivory Coast during January-September 1963 totaled 9,127 short tons, up slightly from the 8,886 tons exported in the same period of 1962. During calendar 1962 exports totaled 11,790 tons, of which 10,329 went to France.

Argentine Flaxseed Output and Export Tax

The second official estimate places Argentina's 1963-64 flaxseed crop at 28.3 million bushels compared with the first estimate of 29.5 million and the 1962-63 outturn of 33.0 million.

Since January 1, 1964, Argentine exports of flaxseed have been subject to a variable export tax of 10 to 40 percent (*Foreign Agriculture,* Sept. 16, 1963). Although the exact rate of the tax was supposed to have been announced 45 days before it came into force, it was not released until January 2. The rate was established at 23.84 percent, based on the f.o.b. price of 17,037.50 pesos per metric ton (equivalent to $3.27 per bu. at the Dec. 31 rate of 132.50 pesos to $100). Subsequent modifications in the base price will be announced 15 days before coming into effect.

At the present value of the peso under current world prices, the rate of the tax is high enough to price Argentine flaxseed out of the international market. Prices to producers have dropped to the support level of 1,200 pesos per 100 kilos, and millers claim that any further appreciation in the value of the peso will make it impossible for their linseed oil to compete in the world market. As of mid-January millers were purchasing cautiously, and the crop was moving to market very slowly.

Mozambique's Exports of Copra and Coconut Oil

Exports of copra and coconut oil from Mozambique during January-September 1963 increased slightly to 30,013 long tons, oil basis, from 29,629 tons in the same period of 1962. Exports of copra declined to 37,232 tons from 42,187, while those of coconut oil rose to 6,185 from 2,630.

Japanese Agree on Purchases of Chinese Soybeans

Japanese traders recently concluded a contract for the purchase of 250,000 metric tons (9.2 million bu.) of Communist Chinese soybeans during 1964. This is in accordance with the trade plan drawn up in Peking last September under the 5-year trade agreement of November 1962 (*Foreign Agriculture,* Nov. 4, 1963).

Planned imports by month are as follows, in metric tons:

Jan.	15,000	June-July	45,000
Feb.	20,000	Aug.-Sept.	30,000
Mar.	25,000	Nov.-Dec. (new crop)	55,000
Apr.-May	60,000	Total	250,000

The price for January and February shipments of 35,000 tons has been set at £38 10s. ($106.68) f.o.b. and for the March shipment of 25,000 tons at £38 7s. ($107.38) f.o.b

The c.&f. price for January and February shipments is calculated at $113.68. U.S. No. 2 soybeans as of mid-January were being offered at $123.85 per ton c.&f. or $10.17 per ton above Chinese beans.

The planned imports for 1964 are 100,000 above last year's total of 150,000. This increase is reportedly due to greater availabilities from Mainland China and to the desire of Japanese processors to use Chinese beans for oil extraction because of their higher oil content this year and their lower prices, compared with U.S. beans.

Each year a certain quantity of Chinese beans has been purchased outside the long-term agreement—70,000 tons in 1963 and 165,000 in 1962 (before the agreement). It is estimated that in 1964 an additional 50,000 tons will be purchased, thus bringing total purchases for this year to 300,000 tons (11.0 million bu.). Some trade sources predict that imports could reach 500,000 tons (18.4 million bu.) annually within the next few years.

Favorable Weather Boosts Thailand's Rice Crop

Thailand's 1963-64 rice harvest, now nearly completed, may exceed the previous record of 9,158,000 metric tons of rough rice, set in 1962-63.

After the late arrival of the monsoon last May, which reduced the acreage planted, growing conditions were favorable for rice production. Acreage losses were only 237,000 acres compared with an annual average of about 1.4 million acres and 1.0 million last year. Therefore, the harvested acreage is larger than anticipated and yields per acre generally excellent.

The Thai Government, as in 1963, is planning to export 1,350,000 metric tons of milled rice, but with a larger carryover than usual, exportable supplies could reach 1.5 million.

ROUGH RICE: THAILAND'S ACREAGE, PRODUCTION, AVERAGE 1955-56 TO 1959-60, ANNUAL 1960-61 TO 1962-63

Year	Acreage			Production	Yield per acre
	Planted	Damaged	Harvested		
Average	*1,000*	*1,000*	*1,000*	*1,000*	
1955-56 to	*acres*	*acres*	*acres*	*metric tons*	*Pounds*
1959-60	14,231	1,423	12,808	7,084	1,219
1960-61	14,670	641	14,029	7,789	1,224
1961-62	15,279	1,262	14,017	8,246	1,297
1962-63	16,342	1,009	15,333	9,158	1,317

U.S. Exports of Wheat and Flour at Record

Wheat and wheat flour exports by the United States during July-November 1963 were higher than in any similar period since World War II. Shipments totaled 317 million bushels, or 43 percent more than in the July-November period in 1962.

A detailed table and analysis was published in the January issue of the *World Agricultural Production and Trade: Statistical Report.*

U.S. Feed Grain Exports Rise

U.S. feed grain exports during July-November 1963 totaled 6.1 million tons—a slight increase over the same period a year ago. Corn was the only feed grain showing a rise, while the other feed grains decreased.

The World Agricultural Production and Trade: Statistical Report for January carried a table with details.

Ghana's Cocoa Bean Purchases Smaller

The 1963-64 cocoa bean purchases of the Ghana Cocoa Marketing Board through January 9, 1964, totaled 314,675 long tons, compared with about 317,000 tons for the same period in fiscal 1963. The main crop buying is scheduled to end on March 5.

The 1962-63 main crop amounted to 382,000 tons; however, a record mid-crop of 40,000 tons boosted production to 422,000 tons, the second largest on record. Ghana is the biggest cocoa producer, accounting for over one-third of world output.

South Africa Producing Coffee

Pioneer coffee growers in Natal in the Republic of South Africa will reap their first crop during April-June next year. This crop is expected to amount to only about 30 bags (of 132.276 lb.) but will increase to about 9,000 bags within the next 2 years.

It is expected that within 3 years the present plantations, mostly along the coastal belt of Natal, will supply about half of the domestic needs for high-quality coffee.

Area already planted or in the process of being planted amounts to some 1,605 acres. Most of the plantations are growing Arabica coffee. The Coffee Growers Association of South Africa was formed recently to promote the production and orderly marketing of coffee.

South Africa Establishing Sugar Terminal

According to a recent report, South Africa's new sugar terminal and silo at Durban will be in commission by May 1965, in time for the milling season. It will hold 200,000 tons of sugar and will be able to load a ship at the rate of 500 tons per hour.

Bulk handling of sugar has been established in many ports of the world, as both importers and exporters find that bulk shipments of cargo result in substantial savings in money and man power.

South Africa produces about 1.4 million short tons of sugar and exports about 500,000 tons.

India Strengthens Jute Cooperatives

The Government of India is encouraging the strengthening of jute cooperatives in a general government plan of jute price support. Nearly 600 cooperative marketing associations now operate in India's jute-growing States.

India's State Trading Corporation (STC) assures funds to State Governments and to the National Agricultural Cooperative Marketing Federation (NACMF) for jute procurement through cooperatives. The STC advances 90 percent of the value of the jute, and the remaining 10 percent is due within 45 days of delivery. In 1962-63, cooperatives bought 80,000 bales of jute, valued at $2.4 million, under the Central Government price support plan.

In the preceding year, cooperatives sold 24,200 bales of jute to the Buffer Stock Agency of the Indian Jute Mills Association at the minimum price, through the NACMF. The STC plans to buy 350,000 bales from cooperative marketing societies of the eastern region at the minimum price in 1963-64.

A committee appointed by the NACMF to study the problems of cooperative marketing of jute pointed up the

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need for adequate storage space, proper weighing and inspection facilities, and credit. The STC is furnishing funds for such improvements. The committee also requested that higher priority in allotment of transportation space be given to cooperatives.

The government is not granting licenses for construction of new jute mills, as it feels that present capacity is adequate to meet current demand. All looms are now in operation to supply rising world demand for jute goods.

Southern Rhodesia Plans To Control Sugar Output

The Southern Rhodesian Government plans to introduce legislation to control Rhodesia's fast-growing sugar industry. The control bill will provide for the registration of sugar mills and of cane growers who deliver to the mills. It will also allocate production between the mills and determine the quantity of sugar to be produced.

By 1965, Southern Rhodesia will be producing about 220,000 tons of sugar, and even with an increase in consumption, about 150,000 tons will be available for export. Hence the new Sugar Sales Corporation—representing all producers—is seeking long-term bilateral arrangements with consumer countries at prices below the world level.

A contract has been let for the building of a new sugar factory for the Hippo Valley Estates, which will be capable of producing 100,000 short tons of sugar per crop year. The factory will be ready by autumn of 1965 and will cost £3 million (US$8.4 million).

CORRECTION

In the story entitled "India's Tea Crop Smaller," on page 11 of the January 20 issue, the figures for total Indian tea output in January-October 1962 and all 1962 should read 662.7 million pounds and 759.7 million, respectively.

WORLD CROPS AND MARKETS INDEX

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